

The background of the cover is a photograph of a sunset or sunrise over a body of water. The sky is a mix of orange, pink, and purple. The water is calm, reflecting the colors of the sky. There are silhouettes of trees and reeds in the foreground and middle ground.

Report on Audit Of Financial Statements

June 30, 2013



Oklahoma Economic Development Authority
Report on Audit of Financial Statements
June 30, 2013

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Oklahoma Economic Development Authority
Report on Audit of Financial Statements
June 30, 2013

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Ronald C. Cottrell, CPA

Independent Auditor's Report

Board of Trustees
Oklahoma Economic Development Authority
Beaver, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oklahoma Economic Development Authority as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Oklahoma Economic Development Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Oklahoma Economic Development Authority as of June 30, 2013, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-9 and 26-29 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Oklahoma Economic Development Authority's basic financial statements. The combining financial statements, schedule of indirect costs, schedule of expenditures of state awards, and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying combining financial statements, schedule of indirect costs, schedule of expenditures of state awards, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements, schedule of indirect costs, schedule of expenditures of state awards, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2013, on our consideration of Oklahoma Economic Development Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance.

Ronald C. Cottrell, CPA

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oklahoma Economic Development Authority's internal control over financial reporting and compliance.

Ronald C. Cottrell, CPA

Ronald C. Cottrell, CPA
Kansas, Oklahoma
November 25, 2013

Oklahoma Economic Development Authority
Management's Discussion and Analysis
June 30, 2013

The following discussion and analysis of Oklahoma Economic Development Authority's (OEDA) financial performance provides an overview of OEDA's financial activities for the year ended June 30, 2013. Please read it in conjunction with OEDA's financial statements.

Financial Highlights

- ❖ The assets of Oklahoma Economic Development Authority exceeded its liabilities at the close of the year by \$ 1,391,041 (net position). Of this amount, \$ 1,009,834 (unrestricted net position) may be used to meet the government's ongoing obligations to members and creditors.
- ❖ As of the close of the current year the Oklahoma Economic Development Authority's governmental funds reported ending fund balances of \$ 1,165,074.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Oklahoma Economic Development Authority's basic financial statements. OEDA's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

This discussion and analysis of Oklahoma Economic Development Authority's annual audited financial statements, is required by Governmental Accounting Standards Board (GASB), Statement No. 34. The intent of this discussion is to give management's view and analysis of significant financial activities affecting the government during the fiscal year, along with comparative analysis of the government's financial activities from prior years.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad view of Oklahoma Economic Development Authority's finances, in a manner similar to a private-sector business.

The Statement of Net Position

The statement of net assets presents information on all of Oklahoma Economic Development Authority's assets and liabilities, with the difference between the two reported as net position. You can think of OEDA's net position as one way to measure the government's financial health, or financial position. Over time, increases or decreases in the government's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in Federal or State funding formulas, changes in law, stature of elected officials, and the health of local, state, and federal economies, to assess the overall health of OEDA.

The Statement of Activities

The statement of activities presents information showing how OEDA's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., accounts receivable and earned but unused vacation leave).

Governmental activities—All of OEDA's basic services and programs are reported here, including general government, employment and training, economic development, and aging services and various local community development contracts. Contracts with members and other governmental entities, as well as state and federal grants finance most of these activities. Indirect costs, which are reported as an internal service fund in the proprietary fund financial statements, are included with governmental activities in the government-wide financial statements since they serve those activities.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Oklahoma Economic Development Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with funding restrictions and other legal requirements. All of the funds of the Oklahoma Economic Development Authority are governmental funds, with the exception of its indirect cost pool which is reported as an internal service fund in the proprietary fund financial statements.

Governmental funds – Most of OEDA's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view of OEDA's general operations and the basic services it provides.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financial decisions. The *governmental fund balance sheet* and the *governmental fund statement of revenues, expenditures, and changes in fund balances* provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

OEDA maintains numerous individual governmental funds; however, data from the various governmental funds are combined into a single, aggregated presentation. Information is presented for the combined funds in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Analysis of some significant individual fund data for these governmental funds is provided later in this report.

Proprietary funds – OEDA does not have any proprietary funds.

The Organization as a Whole

Net Position

As noted earlier, net position may serve over time as a useful indicator of Oklahoma Economic Development Authority's financial position. For the year ended June 30, 2013, OEDA's net position decreased to \$ 1,391,041. This change in net position occurs as expenses for the period exceeded revenues by \$ 98,111.

The reasons for the decrease in net position include certain OEDA programs operating at a loss for the audited period; these include Case Management, Rural Fire and the Community Development Department.

Current assets (see Table 1) contain \$ 1,122,253 of Rural Economic Action Plan funds which have been awarded, but for which projects are not yet completed. An offsetting liability (deferred revenue) is also recorded. Revenues will be recognized as the projects are funded.

Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, legislation, or other legal restrictions total \$ 1,009,834. An additional portion of OEDA's net position \$ 131,217 (9%) represents resources that are subject to external restrictions on how they may be used. These restrictions apply to governmental activities such as aging services, economic development, and other grant based programs in which OEDA participates.

Table 1
Oklahoma Economic Development Authority's Net Position
June 30, 2013 and 2012

	Governmental Activities	
	2013	2012
Current assets	\$ 2,596,658	\$ 2,605,853
Capital and other	249,990	274,867
Total assets	<u>2,846,648</u>	<u>2,880,720</u>
Current liabilities	1,431,584	1,358,853
Long-term liabilities	24,023	32,713
Total liabilities	<u>1,455,607</u>	<u>1,391,566</u>
Net assets:		
Net investment in capital assets	249,990	274,867
Restricted	131,217	115,529
Unrestricted	1,009,834	1,098,758
Total net assets	<u>\$ 1,391,041</u>	<u>\$ 1,489,154</u>

Governmental Activities

Total net position as of June 30, 2012 was \$ 1,489,154. For the year ended June 30, 2013, net position decreased by \$ 98,111 to \$ 1,391,041. Table 2 illustrates the change in net position due to governmental activities. OEDA's four major governmental programs are displayed to provide additional detail for analysis.

The main cause for the decrease in total net position was certain OEDA programs operating at a net loss for the period. The Community Development Department is currently working on projects that will be completed and compensated in the future. Until then, they will operate at a net loss.

Table 2
Oklahoma Economic Development Authority's
Governmental Activities
Years Ended June 30, 2013 and 2012

	Governmental Activities					2013 Total	2012 Total
	General Government	Employment And Training	Aging Services	Community Development	All Other Government		
Program revenues:							
Charges for services	\$ 11,248	\$ -	\$ 132,646	\$ 138,994	\$ 37,222	\$ 320,110	\$ 717,509
Grants/contributions	116	1,933,315	968,059	1,034,164	154,009	4,089,663	4,378,764
General revenues	40,805	-	-	-	-	40,805	24,865
Total revenues	52,169	1,933,315	1,100,705	1,173,158	191,231	4,450,578	5,121,138
Expenses:							
Direct program expenses	45,335	1,879,372	1,141,060	1,202,513	123,197	4,391,477	4,923,940
Indirect expense allocation	116	58,717	34,657	26,406	37,316	157,212	167,101
Total expenses	45,451	1,938,089	1,175,717	1,228,919	160,513	4,548,689	5,091,041
Changes in net position:							
Net increase or (decrease)	\$ 6,718	\$ (4,774)	\$ (75,012)	\$ (55,761)	\$ 30,718	\$ (98,111)	\$ 30,097

Financial Analysis of the Government's Funds

As noted earlier, OEDA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of OEDA's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing OEDA's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, OEDA's governmental funds reported combined ending fund balances of \$ 1,165,074, a decrease of \$ 81,926 in comparison with the prior year. Approximately 89% of this total amount (\$ 1,033,857) constitutes unassigned fund balance, which is available for spending at the entity's discretion. The remainder is designated for certain expenditures via restrictions or requirements of outside funding agencies.

The general fund is the chief operating fund of OEDA. As of June 30, 2013, unassigned fund balance in the general fund was \$ 1,033,857. Fund balance in the general fund decreased by \$ 90,561 during the year, primarily due to covering the costs of programs operating at a net loss.

The remaining major governmental funds – Employment and Training, AAA, and REAP – consist of grant funds received to be expended in accordance with the terms of the individual grants.

Proprietary funds. OEDA does not have any proprietary funds.

Budgetary Highlights

As directed by Title 60, Oklahoma Statutes, Sections 176 et seq. OEDA (a public trust) is required to report, at least annually, the budget and financial condition of the trust to its beneficiaries. OEDA's by-laws require that staff "... annually prepare a budget for effective operation of the Authority and submit it for approval of the Trustees." Neither Oklahoma Statutes nor the trust by-laws require a legally binding budget; OEDA's budget is intended to be a guide for management of the trust to follow during day-to-day operations.

OEDA's budgetary process includes various stages. Budgets for most federal and state grants or contracts must be approved by the governmental agency providing funding regardless of board approval. Grant and contract budgets follow award periods, not necessarily the same as OEDA's fiscal year. Management develops annual budgets (and amendments) by department by grouping related grants and contracts for approval by the board of trustees. Staff reports financial activity with budgetary comparisons monthly to the board of trustees.

Capital Asset and Debt Administration

Capital assets

As of June 30, 2013, OEDA had \$ 249,990 invested in capital assets, which is a net decrease from the previous year of \$ 24,877. Capital assets include maintenance vehicles and equipment, fire department vehicles and equipment, building improvements, computer equipment, software, and furniture.

There were no major capital asset additions during the current year.

Table 3
Oklahoma Economic Development Authority
Capital Assets
June 30, 2013 and 2012
(net of depreciation)

	Governmental Activities	
	2013	2012
Buildings	\$ 230,292	\$ 244,727
Vehicles	2,247	4,494
Equipment	17,451	25,646
Capital assets, net	<u>\$ 249,990</u>	<u>\$ 274,867</u>

Additional information in OEDA's capital assets can be found in Note V.C. on pages 22 - 23 of this report.

Long-term debt

At June 30, 2013, OEDA had total long-term obligations outstanding of \$ 24,023 for accrued compensated absences.

Table 4
Oklahoma Economic Development Authority
Long-term Debt
June 30, 2013 and 2012

	Governmental Activities	
	2013	2012
Compensated absences	\$ 24,023	\$ 32,713
Total long-term debt	\$ 24,023	\$ 32,713

Economic Factors and Funding Dependence

As noted previously in this discussion, the health of the State and Federal economies influences OEDA's overall health. Revenue shortfalls and subsequent budget reductions pose a risk to OEDA's various government funded grants and contracts. Management has tried to mitigate this risk by building an unrestricted reserve \$ 1,000,000 and investing resources into strong local programs.

Contacting OEDA'S Financial Management

This financial report is designed to provide our members, district residents, government agencies, customers and creditors with a general overview of Oklahoma Economic Development Authority's finances and to show OEDA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Oklahoma Economic Development Authority's Executive Director, at Oklahoma Economic Development Authority, Post Office Box 668, Beaver, Oklahoma, 73932-0668, e-mail at loedaxdir@ptsi.net, or telephone us at 580-625-4531.

Oklahoma Economic Development Authority
Statement of Net Position
June 30, 2013

	<u>Governmental Activities</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 752,071
Investments	832,912
Receivables:	
Due from other governments	981,307
Prepaid expenses	<u>30,368</u>
Total current assets	<u>2,596,658</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>249,990</u>
Total noncurrent assets	<u>249,990</u>
Total assets	<u>2,846,648</u>
Liabilities	
Current liabilities:	
Accounts payable and accrued expenses	279,331
Deferred revenue	<u>1,152,253</u>
Total current liabilities	<u>1,431,584</u>
Noncurrent liabilities	
Accrued compensated absences	<u>24,023</u>
Total noncurrent liabilities	<u>24,023</u>
Total liabilities	<u>1,455,607</u>
Net Position	
Net investment in capital assets	249,990
Restricted:	
Contractual agreement	131,217
Unrestricted	<u>1,009,834</u>
Total net position	<u><u>\$ 1,391,041</u></u>

The accompanying notes are an integral part of these financial statements.

Oklahoma Economic Development Authority
Statement of Activities
Year Ended June 30, 2013

	Program Expenses		Program Revenues	
	Expenses	Indirect Expense Allocation	Charges for Services	Operating Grants and Contributions
Governmental activities				
General government	\$ 45,335	\$ 116	\$ 11,248	\$ 116
Employment and training	1,879,372	58,717	-	1,929,304
Aging services	1,141,060	34,657	132,646	968,059
Economic development	59,808	27,926	37,222	84,009
Public safety	63,389	9,390	-	70,000
Community development	1,202,513	26,406	138,994	1,034,164
Total governmental activities	<u>\$ 4,391,477</u>	<u>\$ 157,212</u>	<u>\$ 320,110</u>	<u>\$ 4,085,652</u>

General revenues:
Miscellaneous
Interest and investment earnings
Total general revenues
Changes in net assets

Net position, beginning

Net position, ending

The accompanying notes are an integral part of these financial statements.

<u>Program Revenues</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
\$ -	\$ (34,087)
4,011	(4,774)
-	(75,012)
-	33,497
-	(2,779)
-	(55,761)
<u>\$ 4,011</u>	<u>(138,916)</u>

31,147
<u>9,658</u>
<u>40,805</u>
(98,111)
<u>1,489,152</u>
<u>\$ 1,391,041</u>

Oklahoma Economic Development Authority
Fund Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Employment & Training	Area Agency On Aging	Rural Economic Action Plan
Assets				
Cash and cash equivalents	\$ 175,355	\$ (34,663)	\$ (14,178)	\$ 602,386
Investments	832,912	-	-	-
Receivables:				
Due from other governments	-	235,430	74,783	576,629
Due from other funds	25,876	-	-	-
Prepaid expenses	30,368	-	-	-
Total assets	<u>\$ 1,064,511</u>	<u>\$ 200,767</u>	<u>\$ 60,605</u>	<u>\$ 1,179,015</u>
Liabilities and fund equity				
Liabilities:				
Accounts payable and accrued expenses	\$ 286	\$ 174,891	\$ 60,605	\$ -
Due to other funds	-	25,876	-	-
Deferred revenue	-	-	-	1,122,253
Total liabilities	<u>286</u>	<u>200,767</u>	<u>60,605</u>	<u>1,122,253</u>
Fund balance:				
Nonspendable:				
Prepaid expenses	30,368	-	-	-
Restricted for:				
Contractual	-	-	-	56,762
Committed to:				
Aging services	-	-	-	-
Assigned to:	-	-	-	-
Community development	-	-	-	-
Unassigned	1,033,857	-	-	-
Total fund balance	<u>1,064,225</u>	<u>-</u>	<u>-</u>	<u>56,762</u>
Total liabilities and fund balance	<u>\$ 1,064,511</u>	<u>\$ 200,767</u>	<u>\$ 60,605</u>	<u>\$ 1,179,015</u>

The accompanying notes are an integral part of these financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 23,171	\$ 752,071
-	832,912
94,465	981,307
-	25,876
-	30,368
<u>\$ 117,636</u>	<u>\$ 2,622,534</u>

\$ 43,549	\$ 279,331
-	25,876
30,000	1,152,253
<u>73,549</u>	<u>1,457,460</u>

-	30,368
2,834	59,596
40,824	40,824
-	
429	429
-	1,033,857
<u>44,087</u>	<u>1,165,074</u>
<u>\$ 117,636</u>	<u>\$ 2,622,534</u>

Oklahoma Economic Development Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2013

	General Fund	Employment & Training	Area Agency on Aging	Rural Economic Action Plan
Revenues				
Membership dues and assessments	\$ 19,211	\$ -	\$ -	\$ -
Federal grants	-	1,880,699	292,683	-
State appropriations	-	-	440,646	1,034,164
Contract revenue	11,248	-	-	-
Interest	8,313	-	-	1,345
Other	11,619	-	-	-
Match revenue	-	52,616	10,214	-
Total revenues	<u>50,391</u>	<u>1,933,315</u>	<u>743,543</u>	<u>1,035,509</u>
Expenditures				
Current:				
General government	23,115	-	-	-
Employment and training	-	1,935,419	-	-
Aging services	-	-	743,543	-
Economic development	-	-	-	-
Rural fire defense	-	-	-	-
Community development	-	-	-	1,034,164
Capital outlay	-	4,011	-	-
Total expenditures	<u>23,115</u>	<u>1,939,430</u>	<u>743,543</u>	<u>1,034,164</u>
Excess of revenues over (under) expenditures	27,276	(6,115)	-	1,345
Other financing sources (uses)				
Transfers in	150	11,147	-	-
Transfers (out)	(117,987)	-	-	-
Total other financing sources (uses)	<u>(117,837)</u>	<u>11,147</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(90,561)	5,032	-	1,345
Fund balance, beginning	<u>1,154,786</u>	<u>(5,032)</u>	<u>-</u>	<u>55,417</u>
Fund balance, ending	<u><u>\$ 1,064,225</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 56,762</u></u>

The accompanying notes are an integral part of these financial statements.

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 19,211
69,917	2,243,299
276,096	1,750,906
308,862	320,110
-	9,658
43,159	54,778
63,256	126,086
<u>761,290</u>	<u>4,524,048</u>

116	23,231
-	1,935,419
441,967	1,185,510
150,990	150,990
72,779	72,779
193,693	1,227,857
6,177	10,188
<u>865,722</u>	<u>4,605,974</u>

(104,432)	(81,926)
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106,840	118,137
(150)	(118,137)
<u>106,690</u>	<u>-</u>

2,258	(81,926)
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<u>41,829</u>	<u>1,247,000</u>
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<u>\$ 44,087</u>	<u>\$ 1,165,074</u>
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Oklahoma Economic Development Authority
Reconciliation of Governmental Funds and Government-Wide Financial Statements
Year Ended June 30, 2013

Total fund balance - governmental funds	\$ 1,165,074
Amounts reported for governmental activities in the statement of net assets are different because:	
Assets used in governmental activities are not financial resources, and therefore, are not reported as assets in the governmental funds.	
Capital assets, net of accumulated depreciation	249,990
Long-term liabilities are not due and payable in the current period, and therefore, are not reported as liabilities in the funds. Long- term liabilities consist of:	
Accrued compensated absences	<u>(24,023)</u>
Net assets of governmental activities	<u><u>\$ 1,391,041</u></u>
Net change in fund balances – total governmental funds	\$ (81,926)
Adjustments for the statement of activities:	
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful life as depreciation expense.	
Acquisition of capital assets	9,126
Depreciation expense	(34,002)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	
Accrued compensated absences, net change	<u>8,691</u>
Change in net assets of governmental activities	<u><u>\$ (98,111)</u></u>

The accompanying notes are an integral part of these financial statements.

Oklahoma Economic Development Authority
Statement of Net Position
Fiduciary Funds
June 30, 2013

	Agency
	911
	Wireless
Assets	
Cash and cash equivalents	\$ 145,668
Total assets	<u>145,668</u>
Liabilities	
Accounts payable	<u>145,668</u>
Total liabilities	<u>145,668</u>
Net position	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Oklahoma Economic Development Authority
Notes to Financial Statements
June 30, 2013

I. Organization

Oklahoma Economic Development Authority (OEDA) was created under the Inter-Local Cooperation Act of the State of Oklahoma; Title 74 Oklahoma Statutes, Supplement 1970, Section 1004(f). OEDA is governed by the articles of agreement adopted by its member governments and is not operated for a profit. Effective July 1, 1988, OEDA changed its form of organization to that of a trust authority under the provisions of Title 60, Oklahoma Statutes, Section 176 et seq., as amended, the Oklahoma Trust Act, and other applicable statutes and laws of the State of Oklahoma. OEDA provides a practical and organized means by which government units and public agencies within the district (Dewey, Woods, Texas, Beaver, Cimarron, Ellis, Harper, and Woodward counties) may cooperate and coordinate their efforts to provide services, planning, and facilities for their populations.

II. Summary of significant accounting policies

A. Reporting entity

The accompanying financial statements present OEDA and entities for which OEDA is considered to be financially accountable. The Authority's financial statements do not include any discretely-presented or blended component units.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which direct expenses of a given functions or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements are provided for governmental funds.

Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are

recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, OEDA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Interest associated with the current fiscal period is all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by OEDA.

The Authority reports the following major governmental funds:

The general fund is OEDA's primary operating fund. It accounts for all financial resources of the general government, including revenues and expenditures applicable to the general operations of OEDA.

The AAA fund reports the activities related to a grant from the Oklahoma Department of Human Services for the Area Agency on Aging. It accounts for revenues from federal and state sources and the expenditures thereof related only to that grant.

The REAP funds report the activity related to grants from the Oklahoma State Auditor and Inspector and Oklahoma Department of Commerce for the Rural Economic Action Plan programs. These funds account for revenues and related expenditures of these funds related to the specific grant and year.

The Workforce Investment Act fund reports the activities related to contracts with the Oklahoma Employment Security Commission and Oklahoma Department of Commerce to provide employment training services for adult, youth, and dislocated workers.

The Title V Senior Community Service Employment Program fund reports the activity related to the contracts with the Oklahoma Department of Commerce for the senior citizen employment and training programs.

The Other Governmental Funds account for revenues received from federal and state grants and contracts, and the expenditures, thereof, as governmental funds. Grant and contract revenues and expenditures are segregated in the general ledger accounting system.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions.

Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all interest.

When both restricted and unrestricted resources are available for use, it is OEDA's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize OEDA to invest in obligations of the U.S. Treasury; time deposits with financial institutions, if such deposits are fully insured by federal depository insurance or pledged collateral; and debt securities issued by the State of Oklahoma, an Oklahoma county, school district, or municipality.

Investments for OEDA are reported at fair value.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable, available financial resources.

All trade receivables are shown net of allowance for uncollectibles, if applicable.

3. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital assets

Capital assets, which include improvements, furniture and fixtures, and vehicles and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by OEDA as assets with an initial, individual cost of \$ 1,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	23
Vehicles	7
Furniture and equipment	5

5. *Compensated absences*

The Authority's policies permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued up to a maximum of twenty days when incurred in the government-wide financial statements. Sick leave may be accumulated up to a maximum of 45 days or 360 hours. A liability for vacation amounts is reported in governmental funds only if they have matures, for example, as a result of employee resignations and retirements.

6. *Long-term obligations*

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets.

7. *Fund balances and net assets*

Fund balances – Governmental fund balances are classified as nonspendable, restricted, committed, assigned, and unassigned as follows:

- a. *Nonspendable* – includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
- b. *Restricted* – consists of fund balance with constraints placed on the use of resources either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) laws through constitutional provisions or enabling legislation.
- c. *Committed* – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the city's highest level of decision-making authority. The entity's highest level of decision-making authority is made by ordinance.
- d. *Assigned* – includes amounts that are constrained by the entity's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by board of trustees' action or management decision when the city council has designated that authority.
- e. *Unassigned* – represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

It is the entity's policy to first use restricted fund balance prior to the use of unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available. The entity's policy for the use of unrestricted fund balance amounts require that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amount in any of those unrestricted fund balance classifications could be used.

Net position – Net position are displayed in three components as follows:

- a. *Net investment in capital assets* – consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any debt or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- b. *Restricted net assets* – consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted net assets* – all other net assets that do not meet the definitions of “invested in capital assets, net of related debt” or “restricted”.

It is the entity’s policy to first use restricted net assets prior to the use of unrestricted net assets when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

8. Allocation of employee benefits and indirect costs

The Authority’s employee benefits and indirect costs are allocated based upon actual expenditures to all grants in accordance with Office of Management and Budget (OMB) Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*. The Authority’s employee benefits are allocated to grant and other projects as a percentage of direct labor costs. Indirect costs necessary to sustain overall operations are allocated as a percentage of total direct labor costs charged to grants and other projects.

III.Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this difference are as follows:

Accrued compensated absences	\$ 24,023
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 24,023</u>

Another difference concerns capital asset reporting. The cost of capital assets, net of accumulated depreciation, is reported on the government-wide statement of net assets, but not in the governmental fund statements since they are not financial resources. The details of this difference are as follows:

Capital assets, net of related accumulated depreciation	\$ 249,990
Net adjustment to increase fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 249,990</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Equipment purchases	\$ 9,126
Depreciation expense	<u>(34,002)</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ (24,876)</u>

Another element of that reconciliation states that the recognition of the liabilities for accrued compensated absences does not consume current financial resources of governmental funds. The details of this difference are as follows:

Increase in accrued compensated absences	\$ 8,691
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 8,691</u>

IV. Stewardship, compliance, and accountability

Budgetary information

The Authority operates each grant program under a budget approved by the funding agency. An overall budget is also prepared and presented to the board for approval.

V. Detailed notes on all funds

A. Deposits and investments

Deposits

OEDA’s carrying amount of deposits was \$ 752,071 as of June 30, 2013, and the bank balances totaled \$ 940,181. Deposits are carried at cost.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, OEDA’s deposits may not be returned to it. OEDA does not have a deposit policy for custodial credit risk. As of June 30, 2013, all of OEDA’s bank balance was FDIC insured or collateralized.

Investments

As of June 30, 2013, OEDA had the following investments.

Investment	Maturities	Fair Value
Certificates of deposit	< 1 year	\$ 832,912
Total		<u>\$ 832,912</u>

Interest Rate Risk. OEDA does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State statutes limit investments to the following: a) direct obligations of the U.S. Government, its agencies or instrumentalities; b) collateralized or insured certificates of deposit within the state, and insured certificates only if out of state; c) savings accounts or savings certificates; d) fully collateralized prime banker acceptances, prime commercial paper, repurchase agreements, or SEC regulated money market funds; e) obligations to the payment of which the full faith and credit of the state is pledged; f) county, municipal, or school district and valorem tax funded debt; g) bonds, notes, or money judgments of a county, municipality, or school district; h) revenue anticipation notes of a public trust of which the municipality is beneficiary; or; i) any bond, note, or other debt of any public trust of which the municipality is sole beneficiary, or other entities whose governing boards were appointed by the municipality. OEDA has no investment policy that would further limit its investment choices. As of June 30, 2013, OEDA's investments in certificates of deposit were all federally insured.

Concentration of Credit Risk. OEDA places no limit on the amount it may invest in any one issuer. More than 5% of OEDA's investments are in certificates of deposit. These investments are 100% of OEDA's total investments.

B. Receivables

Receivables as of June 30, 2013, for the Oklahoma Economic Development Authority's individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

	Employment and Training	AAA	REAP	Nonmajor Government Funds	Total
Receivables:					
Due from other governments	\$ 235,430	\$ 74,783	\$ 576,629	\$ 94,465	\$ 981,307
Less: allowance for uncollectibles	-	-	-	-	-
Net total receivables	<u>\$ 235,430</u>	<u>\$ 74,783</u>	<u>\$ 576,629</u>	<u>\$ 94,465</u>	<u>\$ 981,307</u>

C. Capital assets

Capital asset balances and activities for the year ended June 30, 2013, were as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, being depreciated:				
Buildings	\$ 336,880	\$ -	\$ -	\$ 336,880
Vehicles	36,790	-	-	36,790
Equipment	157,127	9,125	-	166,252
Total capital assets, being depreciated	<u>530,797</u>	<u>9,125</u>	<u>-</u>	<u>539,922</u>
Less accumulated depreciation for:				
Buildings	(92,153)	(14,435)	-	(106,588)
Vehicles	(32,296)	(2,247)	-	(34,543)
Equipment	(131,481)	(17,320)	-	(148,801)
Total accumulated depreciation	<u>(255,930)</u>	<u>(34,002)</u>	<u>-</u>	<u>(289,932)</u>
Governmental activities capital assets, net	<u>\$ 274,867</u>	<u>\$ (24,876)</u>	<u>\$ -</u>	<u>\$ 249,990</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 30,911
Employment and training	2,670
Aging services	421
Total depreciation expense – governmental activities	<u>\$ 34,002</u>

D. Leases

Operating Leases – The Authority has entered into several operating lease agreements for office facilities. Rent expense during the year ended June 30, 2013 was \$ 27,205. None of the agreements have a term past one year.

E. Deferred revenue

Deferred revenue represents advances on grants which have not been expended. REAP planning funds have been deferred until required to cover administrative expenses of the program, while REAP project funds are unexpended project funds related to projects not yet completed.

Deferred revenue for the year ended June 30, 2013 totaled \$ 1,152,253, and included the following:

Deferred Revenue <u>June 30, 2013</u>	
REAP funds:	
2010 REAP funds	\$ 19,342
2011 REAP funds	47,803
2012 REAP funds	196,880
2013 REAP funds	858,228
Community development	30,000
Total REAP funds	<u>\$ 1,152,253</u>

F. Long-term debt

As of June 30, 2013, Oklahoma Economic Development Authority did not have any outstanding debt.

G. Compensated absences

Permanent employees accrue vacation on a monthly basis at a rate equal to one-twelfth (1/12) of the total annual amount of accrued vacation, based on length of employment. Employees accrue twelve days per year up to five years of service, thirteen days during the sixth year, fourteen days in the seventh year, and fifteen days thereafter. Vacation may be accumulated up to a maximum of twenty days. Accrued vacation is paid to an employee when they end employment with OEDA. In accordance with the guidelines set forth by GASB Statement No. 16, *Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences*, a provision has been made for accumulated vacation, compensatory time, holiday pay, and sick leave as follows:

Governmental activities:	\$ 24,023
Total compensated absences	<u>\$ 24,023</u>

As of June 30, 2013, the estimated liability for 1,091 hours accrued vacation was approximately \$ 24,023. Sick leave of 2,370 hours had been earned as of June 30, 2013. Employees accrue ten hours of sick leave per month. Unused sick leave may accrue to a maximum of 45 days or 360 hours. Upon separation, no compensation is provided for accrued sick leave.

VI. Other information

A. Risk management

The Authority is exposed to various risks of loss related to torts, property damage, errors and omissions, and personal injury. The Authority has insurance for the major risks for OEDA such as property, general liability, worker's compensation, and unemployment. Commercial insurance is used to cover general liability claims and the risk of loss to OEDA's property and equipment.

B. Contingent liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although OEDA expects such amounts, if any, to be immaterial.

C. Employee retirement systems and pension plans

Oklahoma Economic Development Authority participates in a defined contribution plan. OEDA established a Section 457 deferred compensation plan during the year ended June 30, 2000, to which employees contributed \$ 14,400 during the year ended June 30, 2013.

OEDA also provides retirement benefits in the form of a money purchase pension plan (the Plan). A money purchase pension plan is a defined contribution plan whereby all permanent, full-time employees are covered by the Plan after completion of one year of service and attainment of age 21. There were 13 employees actively participating in the Plan as of June 30, 2013.

Plan Description – Employees are eligible for participation in the Plan after attaining age 21 and 12 months of service in which they worked 1,000 hours or more. The Plan entry date is the first month after their one year anniversary. The employer's portion of contributions vests over six years at the following percentages depending on years of service:

<u>Years of service</u>	<u>Vested percentage</u>
0-1	None
2	20%
3	40%
4	60%
5	80%
6	100%

Normal retirement begins the first month after reaching the age of 65. An employee is eligible for early retirement upon attainment of age 55 an after completion of ten years of participation.

Employees are required to contribute 3.5% of their compensation while OEDA contributes 16.5% of compensation plus monthly contribution.

Funding Policy – Covered payroll for the year ended June 30, 2013, was \$ 543,346, while total payroll aggregated \$ 943,737. Employees contributed \$ 19,017 to the Plan during the year, while OEDA's required contribution to the Plan for the year was \$ 87,633.

D. Subsequent events

Management has evaluated subsequent events through November 25, 2013, the date which the financial statements were available to be issued.

Oklahoma Economic Development Authority
Budgetary Comparison Schedule
General Fund and Major Special Revenue Funds (Budgetary Basis)
Year Ended June 30, 2013

	General Fund			Variance with
	Budget			Final Budget
	Original	Final	Actual	Positive
				(Negative)
Fund balance, beginning	\$ 1,108,129	\$ 1,108,129	\$ 1,108,129	\$ -
Resources				
Federal grants	-	-	-	-
State appropriations	-	-	-	-
Contract revenue	11,248	11,248	11,248	-
Other	20,000	20,000	39,143	19,143
Match revenues	-	-	-	-
Operating transfers	-	-	150	150
Total resources	31,248	31,248	50,541	19,293
Amounts available				
for appropriation	1,139,377	1,139,377	1,158,670	19,293
Charges to appropriations:				
Salaries and fringe	11,063	11,063	11,063	-
Travel	6,353	6,353	6,353	-
Dues, subscriptions, & registrations	378	378	378	-
Professional/contractual	-	-	-	-
Supplies	5,209	5,209	5,209	-
Telephone	75	75	75	-
Equipment	-	-	-	-
Rent and Utilities	-	-	-	-
Postage and copier	-	-	-	-
Board travel and expense	-	-	-	-
Training	-	-	-	-
Indirect	-	-	-	-
Pass-through/service funds	-	-	-	-
Other	37	37	37	-
Transfers	74,131	74,131	117,987	(43,856)
Total charges to appropriations	97,246	97,246	141,102	(43,856)
Fund balance, ending	\$ 1,042,131	\$ 1,042,131	\$ 1,017,568	\$ (24,563)

See disclaimer in accompanying Independent Auditor's Report.

Employment & Training			
Budget			Variance with Final Budget Positive (Negative)
Original	Final	Actual	
\$ -	\$ -	\$ (5,032)	\$ (5,032)
2,119,171	2,119,171	1,880,699	(238,472)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	52,616	52,616
-	-	11,147	11,147
2,119,171	2,119,171	1,944,462	(174,709)
2,119,171	2,119,171	1,939,430	(179,741)
322,541	322,541	313,256	9,285
37,200	37,200	23,791	13,409
1,950	1,950	3,973	(2,023)
16,500	16,500	8,088	8,412
2,100	2,100	1,120	980
3,440	3,440	3,147	293
4,300	4,300	6,140	(1,840)
14,322	14,322	14,546	(224)
3,460	3,460	1,432	2,028
5,800	5,800	1,926	3,874
22,450	22,450	-	22,450
62,896	62,896	58,717	4,179
1,622,212	1,622,212	1,503,294	118,918
-	-	-	-
-	-	-	-
2,119,171	2,119,171	1,939,430	179,741
\$ -	\$ -	\$ -	\$ -

Oklahoma Economic Development Authority
Budgetary Comparison Schedule
General Fund and Major Special Revenue Funds (Budgetary Basis)
Year Ended June 30, 2013

	Area Agency on Aging			Variance with
	Budget			Final Budget
	Original	Final	Actual	Positive
				(Negative)
Fund balance, beginning	\$ -	\$ -	\$ -	\$ -
Resources				
Federal grants	322,279	323,151	292,683	(30,468)
State appropriations	451,578	451,578	440,646	(10,932)
Contract revenue	-	-	-	-
Other	-	-	-	-
Match revenues	10,214	10,214	10,214	-
Operating transfers	-	-	-	-
Total resources	784,071	784,943	743,543	(41,400)
Amounts available for appropriation	784,071	784,943	743,543	(41,400)
Charges to appropriations:				
Salaries and fringe	105,181	93,620	93,620	-
Travel	10,800	10,479	10,479	-
Dues, subscriptions, & registrations	2,522	3,312	3,312	-
Professional/contractual	6,000	3,824	3,824	-
Supplies	1,200	2,485	2,485	-
Telephone	6,313	4,221	4,221	-
Equipment	-	-	-	-
Rent and Utilities	3,786	2,675	2,674	1
Postage and copier	1,910	1,194	1,195	(1)
Board travel and expense	2,600	1,229	1,229	-
Training	-	-	-	-
Indirect	19,879	17,073	17,073	-
Pass-through/service funds	623,880	644,831	603,431	41,400
Other	-	-	-	-
Transfers	-	-	-	-
Total charges to appropriations	784,071	784,943	743,543	41,400
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

See disclaimer in accompanying Independent Auditor's Report.

Rural Economic Action Plan

Budget			Variance with Final Budget Positive (Negative)
Original	Final	Actual	
\$ 55,417	\$ 55,417	\$ 55,417	\$ -
-	-	-	-
2,156,417	2,156,417	1,034,164	(1,122,253)
-	-	-	-
-	-	1,345	1,345
-	-	-	-
-	-	-	-
2,156,417	2,156,417	1,035,509	(1,120,908)
2,211,834	2,211,834	1,090,926	(1,120,908)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,156,417	2,156,417	1,034,164	1,122,253
-	-	-	-
-	-	-	-
2,156,417	2,156,417	1,034,164	1,122,253
\$ 55,417	\$ 55,417	\$ 56,762	\$ 1,345

Oklahoma Economic Development Authority
Reconciliation of Budgetary Comparison Schedule on a Budgetary
Basis With Fund Financial Statements on a GAAP Basis
Year Ended June 30, 2013

	General Fund	Employment & Training
<u>Budgetary funds</u>		
<u>Financial statement major funds</u>		
Revenues		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 50,391	\$ 1,933,315
Adjustments:	-	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances—governmental funds	<u>\$ 50,391</u>	<u>\$ 1,933,315</u>
Expenditures		
Actual amounts (budgetary basis) "expenditures" from the budgetary comparison schedules	\$ 23,115	\$ 1,939,430
Adjustments:	-	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u>\$ 23,115</u>	<u>\$ 1,939,430</u>
Other financing sources (uses)		
Actual amounts (budgetary basis) "other financing sources and uses" from the budgetary comparison schedules	\$ (117,837)	\$ 11,147
Adjustments:	-	-
Total other financing sources as reported on the statement of revenues, expenditures, and changes in fund balances—governmental funds	<u>\$ (117,837)</u>	<u>\$ 11,147</u>

See disclaimer in accompanying Independent Auditor's Report.

<u>Area Agency on Aging</u>	<u>Rural Economic Action Plan</u>
\$ 743,543	\$ 1,035,509
<u>-</u>	<u>-</u>
<u>\$ 743,543</u>	<u>\$ 1,035,509</u>
\$ 743,543	\$ 1,034,164
<u>-</u>	<u>-</u>
<u>\$ 743,543</u>	<u>\$ 1,034,164</u>
\$ -	\$ -
<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>

Oklahoma Economic Development Authority
Notes to Budgetary Comparison Schedules
Year Ended June 30, 2013

Budgetary Accounting: The annual operating budgets are prepared and presented on the modified accrual basis of accounting. OEDA utilizes encumbrance accounting during the year on a limited basis for certain purchase orders and other commitments for the expenditure of funds which are recorded in order to reserve a portion of the applicable appropriation. Encumbrances lapse at year-end, therefore, encumbrances outstanding at year-end are not considered expenditures for budgetary purposes, as OEDA will provide for supplemental appropriations in the following budget year.

Oklahoma Economic Development Authority
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue			
	State Appropriated	EDA	Caregiver	Rural Fire
Assets				
Cash and cash equivalents	\$ (36,364)	\$ 4,288	\$ (207)	\$ (10,795)
Receivables:				
Due from other governments	36,364	-	292	11,875
Total assets	<u>\$ -</u>	<u>\$ 4,288</u>	<u>\$ 85</u>	<u>\$ 1,080</u>
Liabilities				
Accounts payable and accrued liabilities	\$ -	\$ 1,574	\$ 85	\$ 960
Deferred revenue	-	-	-	-
Total liabilities	<u>-</u>	<u>1,574</u>	<u>85</u>	<u>960</u>
Fund balances				
Nonspendable:				
Restricted for:				
Contractual	-	2,714	-	120
Committed to:				
Aging services	-	-	-	-
Assigned to:				
Community development	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>2,714</u>	<u>-</u>	<u>120</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 4,288</u>	<u>\$ 85</u>	<u>\$ 1,080</u>

Special Revenue

<u>Case Management</u>	<u>Community Development</u>	<u>CENA</u>	<u>SHL</u>	<u>Masonic Charities</u>	<u>SHICP</u>
\$ 1,151	\$ 25,124	\$ (850)	\$ -	\$ 40,824	\$ -
-	10,000	35,934	-	-	-
<u>\$ 1,151</u>	<u>\$ 35,124</u>	<u>\$ 35,084</u>	<u>\$ -</u>	<u>\$ 40,824</u>	<u>\$ -</u>
\$ 1,151	\$ 4,695	\$ 35,084	\$ -	\$ -	\$ -
-	30,000	-	-	-	-
<u>1,151</u>	<u>34,695</u>	<u>35,084</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	40,824	-
-	429	-	-	-	-
-	-	-	-	-	-
-	429	-	-	40,824	-
<u>\$ 1,151</u>	<u>\$ 35,124</u>	<u>\$ 35,084</u>	<u>\$ -</u>	<u>\$ 40,824</u>	<u>\$ -</u>

Oklahoma Economic Development Authority
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

Page 2 of 2

	<u>Special Revenue</u>	
	<u>MIPPA</u>	<u>Total Non-major Governmental</u>
Assets		
Cash and cash equivalents	\$ -	\$ 23,171
Receivables:		
Due from other governments	-	94,465
Total assets	<u>\$ -</u>	<u>\$ 117,636</u>
Liabilities		
Accounts payable and accrued liabilities	\$ -	\$ 43,549
Deferred revenue	-	30,000
Total liabilities	<u>-</u>	<u>73,549</u>
Fund balances		
Nonspendable:		
Restricted for:		
Contractual	-	2,834
Committed to:		
Aging services	-	40,824
Assigned to:		
Community development	-	429
Unassigned	-	-
Total fund balances	<u>-</u>	<u>44,087</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 117,636</u>

Oklahoma Economic Development Authority
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2013

	Special Revenue			
	State Appropriated	EDA	Caregiver	Rural Fire
Revenues				
Federal grants	\$ -	\$ 57,975	\$ 808	\$ -
State appropriations	36,364	-	270	70,000
Contract revenue	-	-	-	-
Other	-	-	-	-
Match revenues	-	63,256	-	-
Total revenues	<u>36,364</u>	<u>121,231</u>	<u>1,078</u>	<u>70,000</u>
Expenditures				
Current:				
General government	116	-	-	-
Aging services	10,214	-	1,078	-
Economic development	26,034	124,956	-	-
Rural fire defense	-	-	-	72,779
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>36,364</u>	<u>124,956</u>	<u>1,078</u>	<u>72,779</u>
Excess of revenues over (under) expenditures	-	(3,725)	-	(2,779)
Other financing sources (uses)				
Transfers in	-	-	-	2,779
Transfers (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,779</u>
Net change in fund balances	-	(3,725)	-	-
Fund balance, beginning	<u>-</u>	<u>6,439</u>	<u>-</u>	<u>120</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ 2,714</u>	<u>\$ -</u>	<u>\$ 120</u>

Special Revenue

Case Management	Community Development	CENA	SHL	Masonic Charities	SHICP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,115
-	-	169,462	-	-	-
132,646	176,216	-	-	-	-
-	-	-	317	42,842	-
-	-	-	-	-	-
<u>132,646</u>	<u>176,216</u>	<u>169,462</u>	<u>317</u>	<u>42,842</u>	<u>11,115</u>
-	-	-	-	-	-
176,298	37,222	169,462	317	36,242	11,115
-	-	-	-	-	-
-	-	-	-	-	-
-	193,693	-	-	-	-
-	6,177	-	-	-	-
<u>176,298</u>	<u>237,092</u>	<u>169,462</u>	<u>317</u>	<u>36,242</u>	<u>11,115</u>
(43,652)	(60,876)	-	-	6,600	-
43,185	60,876	-	-	-	-
(150)	-	-	-	-	-
<u>43,035</u>	<u>60,876</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(617)	-	-	-	6,600	-
617	429	-	-	34,224	-
<u>\$ -</u>	<u>\$ 429</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,824</u>	<u>\$ -</u>

Oklahoma Economic Development Authority Page 2 of 2
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2013
(continued)

	<u>Special Revenue</u>	
	<u>MIPPA</u>	<u>Total Non-major Governmental</u>
Revenues		
Federal grants	\$ 19	\$ 69,917
State appropriations	-	276,096
Contract revenue	-	308,862
Other	-	43,159
Match revenues	-	63,256
Total revenues	<u>19</u>	<u>761,290</u>
Expenditures		
Current:		
General government	-	116
Aging services	19	441,967
Economic development	-	150,990
Rural fire defense	-	72,779
Community development	-	193,693
Capital outlay	-	6,177
Total expenditures	<u>19</u>	<u>865,722</u>
Excess of revenues over (under) expenditures	-	(104,432)
Other financing sources (uses)		
Transfers in	-	106,840
Transfers (out)	-	(150)
Total other financing sources (uses)	<u>-</u>	<u>106,690</u>
Net change in fund balances	-	2,258
Fund balance, beginning	<u>-</u>	<u>41,829</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ 44,087</u>

Oklahoma Economic Development Authority
Schedule of Indirect Costs
Year Ended June 30, 2013

	Indirect Costs
Salaries and wages	\$ 70,500
Employee benefits and taxes	25,165
Total personnel costs	<u>95,665</u>
 Rent and utilities	 13,735
Communications	2,009
Travel	14,305
Office supplies and postage	3,458
Repairs and maintenance	3,996
Insurance and bonds	10,491
Dues, subscriptions, and meetings	11,902
Professional	1,004
Other expense	647
Total indirect costs	<u><u>\$ 157,212</u></u>



Ronald C. Cottrell, CPA

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Trustees
Oklahoma Economic Development Authority
Beaver, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Oklahoma Economic Development Authority, as of and for the year ended June 30, 2013 and the related notes to the financial statements, which collectively comprise Oklahoma Economic Development Authority's basic financial statements, and have issued our report thereon dated November 25, 2013. We did not audit management's discussion and analysis and the budgetary comparison information which is required supplementary information, and therefore expressed no opinions on it.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Oklahoma Economic Development Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Oklahoma Economic Development Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Oklahoma Economic Development Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Oklahoma Economic Development Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oklahoma Economic Development Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ronald C. Cottrell, CPA

Ronald C. Cottrell, CPA

Kansas, Oklahoma

November 25, 2013



Ronald C. Cottrell, CPA

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133

Board of Trustees
Oklahoma Economic Development Authority
Beaver, Oklahoma

Report on Compliance for Each Major Program

We have audited Oklahoma Economic Development Authority's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Oklahoma Economic Development Authority's major federal programs for the year ended June 30, 2013. Oklahoma Economic Development Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Oklahoma Economic Development Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Oklahoma Economic Development Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Oklahoma Economic Development Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, Oklahoma Economic Development Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of Oklahoma Economic Development Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Oklahoma Economic Development Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Oklahoma Economic Development Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Ronald C. Cottrell, CPA

Ronald C. Cottrell, CPA
Grove, Oklahoma
November 25, 2013

Oklahoma Economic Development Authority
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
FEDERAL PROGRAMS			
<u>U. S. Department of Labor</u>			
Pass-Through Program From:			
Oklahoma Department of Commerce -			
<i>Workforce Investment Act (WIA) Cluster</i>			
WIA Title I Adult	17.258	15117-NW-PY12 WAS	\$ 5,481
		15115 NC-PY12 WAS	25,975
		15360 NW-FY13 WAS	
		FY	140,489
		14933-NC-FY12-WASFY	181,714
		14935-NW-FY12-WASFY	5,387
		WAS 2011-OEDACOG-	
		00001	6,432
WIA Title I Youth	17.259	14639-NC-PY11-WYS	4,753
		15056-NW-PY12-WYS	84,774
		14641-NW-PY11-WYS	44,483
		15054-NC-PY12-WYS	292,804
		WYS-2010-OEDACOG-	
		00002	4,877
WIA Title I Dislocated Worker	17.278	15151-NC-PY12-WDW	19,881
		14922-NC-FY12-	
		WDW FY	374,864
		14924-NW-FY12-WDWFY	92,602
		15040-NC-FY12-RR-	
		WDW FY	64,193
		15038-NW-FY12-RR-	
		WDW FY	1,553
		14847-NC-PY11-WDW	47,039
		15039-NC-FY12-RR-	
		WDW FY	63,665
<i>Subtotal WIA Cluster</i>			<u>1,460,966</u>

The accompanying notes are an integral part of this schedule.

Oklahoma Economic Development Authority
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

(continued)

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
FEDERAL PROGRAMS			
<u>U. S. Department of Labor</u>			
Pass-Through Program From:			
Oklahoma Department of Commerce -			
<i>Other Programs</i>			
DLW Rapid Response Grant/TAA	17.245	NC-170-019	23,093
Title V, Senior Community Services			
Employment Program	17.235	95872-NW-PY12-SCSEP	396,639
<i>Subtotal Other Programs</i>			<u>419,732</u>
Total U.S. Department of Labor			<u>1,880,698</u>
<u>U.S. Department of Health and Human Services</u>			
Pass-Through Program From:			
Oklahoma Department of Human Services			
<i>Aging Cluster</i>			
Special Programs for the Aging, Title III -			
Part B, Grants for Supportive Services and			
Senior Centers	93.044	45110018 FY 12-13	78,579
Part C, Nutrition Services	93.045	45110018 FY 12-13	142,114
Nutrition Services Incentive Program	93.053	45110018 FY 12-13	62,753
<i>Subtotal Aging Cluster</i>			<u>283,446</u>
Pass-Through Program From:			
Oklahoma Department of Human Services			
<i>Other Programs</i>			
Special Programs for the Aging, Title III -			
Part E, National Family Caregiver Support	93.052	45110018 FY 12-13	9,019
Title VII, Programs for Prevention of Elder			
Abuse, Neglect, and Exploitation	93.041	45110018 FY 12-13	1,027
Medicare Improvements for			
Patients and Providers (MIPPA II)	93.518	12019513	19

The accompanying notes are an integral part of this schedule.

Oklahoma Economic Development Authority
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

(continued)

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
FEDERAL PROGRAMS			
<u>U.S. Department of Health and Human Services</u>			
Pass-Through Program From:			
Oklahoma Insurance Department			
Senior Health Insurance Counseling			
Program (SHIP)	93.779	1NOCMS020203-20-00	6,509
		1NOCMS020203-20-00	1,606
Senior Medical Patrol (SMP)	93.048	90MP0082/02	3,000
<i>Subtotal Other Programs</i>			21,180
Total U.S. Department of Health and Human Services			304,626
<u>U.S. Department of Commerce</u>			
Direct Program -			
Title II, Section 203 Planning Assistance:			
Continuation Planning (EDA)	11.302	08-83-04235	61,548
Total U.S. Department of Commerce			61,548
Total Expenditures of Federal Awards			\$ 2,246,872

The accompanying notes are an integral part of this schedule.

Oklahoma Economic Development Authority
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

I. Basis of accounting

The accompanying schedule of expenditures of federal awards include the federal grant activity of Oklahoma Economic Development Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

II. Expenditures

Expenditures represent current year federal grant/contract portion only.

III. Noncash awards

Oklahoma Economic Development Authority expended no form of noncash assistance during the year ended June 30, 2013, which are required by OMB Circular A-133 to be included in the schedule of expenditures of federal awards.

IV. Subrecipients

Of the federal expenditures presented in the schedule of expenditures of federal awards, Oklahoma Economic Development Authority provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
U.S. Department of Health and Human Services		
Pass-Through Programs From:		
Oklahoma Department of Human Services -		
Special Program for the Aging – Title III		
Part B – Grants for Supportive Services and Senior Centers	93.044	\$ 51,836
Part C – Nutrition Services	93.045	111,384
Part E – National Family Caregiver Support	93.052	5,344
Nutritional Services Incentive Program	93.053	62,753
Total U.S. Department of Health and Human Services		<u>\$ 231,317</u>

Oklahoma Economic Development Authority
Schedule of Expenditures of State Awards
Year Ended June 30, 2013

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
STATE PROGRAMS			
<u>Oklahoma Department of Commerce -</u>			
Community Expansion of Nutrition Assistance		15201 CENA 13	\$ 169,462
State Appropriated Funds		15319 SS 13	36,364
Rural Economic Action Plan		13454 REAP 09	2,535
		13888 REAP 10	62,685
		14455 REAP 11	78,512
		14776 REAP 12	595,459
		15288 REAP 13	251,924
		15288 REAP 13 Planning & Administration	57,662
Total Oklahoma Department of Commerce			<u>1,254,603</u>
<u>State Auditor and Inspector -</u>			
Rural Economic Action Plan		REAP 08	43,049
Total State Auditor and Inspector			<u>43,049</u>
<u>Oklahoma Department of Agriculture, Food and Forestry -</u>			
Pass-Through Program From:			
Oklahoma Association of Regional Councils -			
Fire and Safety Services/Rural Fire Defense		409016087	70,000
Total Oklahoma Department of Agriculture, Food and Forestry			<u>70,000</u>
<u>Oklahoma Department of Human Services -</u>			
Aging Services			
Title III, Part B - Supportive Services		45110018 FY 12-13	77,394
Part C - Congregate Meals		45110018 FY 12-13	360,335
Part E - Caregiver Support		45110018 FY 12-13	3,006
Title VII - Abuse Prevention		45110018 FY 12-13	181
Total Oklahoma Department of Human Services			<u>440,916</u>
Total Expenditures of State Awards			<u><u>\$ 1,808,568</u></u>

Oklahoma Economic Development Authority
Summary Schedule of Prior Audit Findings

Financial Statement Findings

There were no matters reported.

Federal Award Findings and Questioned Costs

There were no matters reported.

Oklahoma Economic Development Authority
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weakness(es)?	None reported
Type of auditors report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
17.258-17.278	Workforce Investment Act (WIA) Cluster

Dollar threshold used to distinguish between type A and type B programs:	\$ 300,000
Auditee qualified as low-risk auditee?	No

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported.